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Mexico's 'Ambitious Technocrat'

The man who could become the next president of Mexico is the kind of quiet revolutionary who bears close scrutiny north of the border. Carlos Salinas de Gortari seems to aim at nothing less than weaning his country away from a pervasively socialist economy to a dynamic partnership between government and free enterprise.

If he succeeds in winning the presidency two years from now and transforming the Mexican economy, it could have enormous consequences for the United States. An expanding economy could provide jobs for the nearly 1 million Mexicans who enter the job market each year, relieving the unemployment that now drives thousands of desperate peasants to enter the United States illegally, seeking jobs.

Politically, Salinas is well-positioned. As President Miguel de la Madrid's programming and budget secretary, he "has become one of the president's most trusted advisers on domestic economic issues," according to a secret CIA profile. It adds that "he has good family connections, became active in the PRI [the ruling party] early on and has excellent academic credentials."

Described by the CIA analysts as "an ambitious technocrat and an expert economist," the slightly built, 38-year-old Salinas invites comparison to one of the early stalwarts of the "Reagan revolution." But when we asked him directly whether he considered himself the David Stockman of Mexico, he replied with a firm "No."

He went on to explain: "I would never write a book like that. I have a very deep respect for

politics." The reference was to Stockman's memoir, "The Triumph of Politics," which is popular among English-reading members of Mexico's elite, including the president.

There's an obvious reason why Salinas would never undercut his president, Stockman style: He needs de la Madrid's backing to become president. So he takes great pains to explain that his policy of dismantling the state economy monopoly originated with de la Madrid. This makes Salinas a loyalist instead of an apostate.

"We have been cutting many, many dogmas in the last three years," Salinas told us. The de la Madrid administration inherited 1,150 state enterprises, he noted. "And we have been selling, liquidating. . . . Never in this country had a public sector enterprise been sold in the past."

As a result of this wholesale divestiture, the government now has only 690 state enterprises left. And Salinas said he wants to unload even more, including Mexicana Airlines.

The daunting enormity of Mexico's financial problems was tacitly acknowledged by Salinas as he illustrated the impact of the fall in oil prices from \$25 a barrel to about \$12. This, he said, cost Mexico \$7 billion in foreign exchange revenues, which today are equal to only half the interest payments Mexico makes on its nearly \$100 billion foreign debt.

Salinas' evident pride in one achievement was almost poignant. He pointed out that Mexico "actually reduced its foreign debt by \$300 million" last year. At that rate, the debt could be paid off in roughly 350 years.